



U.S. Department of Justice

United States Attorney

Eastern District of Pennsylvania

615 Chestnut Street

Suite 1250
Philadelphia, Pennsylvania 19106-4476
(215) 861-8200

January 29, 2008

BUCKS COUNTY COUPLE CHARGED WITH TAX FRAUD

United States Attorney Patrick L. Meehan today announced the filing of an indictment¹ charging Joseph J. Smith with one count of conspiracy, three counts of failing to file tax a tax return, and two counts of filing false tax returns. The indictment also charges Cynthia R. McDonough with one count of conspiracy and four counts of filing false tax returns. The charges relate to Smith and McDonough's operation of their auto body repair and construction businesses, Universal Collision Center, Inc., Precision Auto Body Rebuilders, Inc., and Universal Building and Construction, Inc., from 2001 through 2004. The indictment alleges that Smith and McDonough failed to report nearly \$1.5 million in income that they received from their businesses during these years. The indictment also alleges that Smith and McDonough skimmed cash generated by their businesses and used the cash to pay for their various personal expenses, including the construction of a vacation home in Longport, New Jersey.

INFORMATION REGARDING THE DEFENDANTS

| NAME | ADDRESS | AGE |
|----------------------|-----------------------|-----|
| Joseph J. Smith | Yardley, Pennsylvania | |
| Cynthia M. McDonough | Yardley, Pennsylvania | |

If convicted, Smith faces up to 14 years imprisonment, up to 3 years supervised release, and a \$525,000 fine. If convicted, McDonough faces up to 17 years imprisonment, up to 3 years supervised release, and a \$650,000 million fine.

The Internal Revenue Service, Criminal Investigation Division investigated the case. The case is being prosecuted by Assistant United States Attorney Joseph F. Minni.

**UNITED STATES ATTORNEY'S OFFICE
EASTERN DISTRICT, PENNSYLVANIA
Suite 1250, 615 Chestnut Street
Philadelphia, PA 19106**

**Contact: PATTY HARTMAN
Media Contact
(215) 861-8525**

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¹An Indictment is an accusation. A defendant is presumed innocent unless and until proven guilty.